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CONFIDENTIAL ABUJA 001195

SIPDIS

E.O. 12958: DECL: 07/08/2008

TAGS: ELAB EPET ENRG PGOV PHUM ASEC CASC NI

SUBJECT: NIGERIA: FUEL STRIKE ENDS

REF: (A) ABUJA 1172 (B) ABUJA 1168 AND PREVIOUS

Classified by Ambassador Howard F. Jeter; For Reasons 1.5 (B) and (D).

- 11. (C) SUMMARY: The Nigeria Labour Congress (NLC) accepted the GON's 34 naira (23 cents) fuel price offer early this morning. With this, Labor's eight-day strike has ended, one day after the most violent twenty-four hours of the strike. Five to ten demonstrators were reportedly killed in Lagos yesterday, with hundreds injured and jailed. The end came after an all-night session that Labor sources described as "lengthy debate and arm twisting from the Senate President and Speaker of the House." Both sides appeared concerned that a prolonged strike would incite further violence. However, the NLC vowed it would resume the strike if the GON refused to pay workers who honored the strike or failed to investigate strike-related killings. END SUMMARY.
- 12. (U) Labor's eight-day strike ended at 0600 July 8, when the Nigeria Labour Congress (NLC) agreed to the Government's 34 naira/liter (23 cents) offer. Following what has been the most violent day of the strike, the agreement caught some by surprise. We expect neither Abuja nor Nigeria as a whole to rebound immediately. Businesses remained closed today. The lack of fuel will likely delay Nigeria's return to normalcy for two or three days as deliveries begin to arrive throughout the country. Meanwhile, an official at the Nigerian National Petroleum Corporation stated the Petroleum Products Pricing Regulatory Agency would officially announce the new price today.
- 13. (U) The Monday activity which brought the strike to a close included widespread demonstrations in Lagos, Abeokuta, Suleja, Lokoja and other locations. NLC leaders claimed that at least 10 people died in Lagos during the final day of the strike. Along with the 10 previously reported deaths in Abuja and three reported deaths in Port Harcourt, the toll may be at least 23 persons. Hundreds have been injured (including the victims of the Abuja Wuse Market stampede) and many labor and student leaders were detained. We have not heard whether those still under detention have been released.
- 14. (U) Labor leaders said that the agreement came after a ten-hour session and "arm-twisting" by government officials, including Senate President Adolphus Wabara and Speaker of the House Aminu Masari. One member of the NLC's National Executive Council told Poloff that the stridency of the protests had "surprised and worried" labor leaders. However, the NLC warned that it would resume the strike if workers who stayed home were not paid and if the police do not investigate the killings that occurred during the demonstrations around the country.
- 15. (C) Comment: The strike has ended with few people satisfied but with just about everyone feeling a sense of relief. Right now, it is difficult to gauge winners and losers. Labor proved its muscle by dragging the strike out for nine days but still agreed to a 30 percent price increase. The GON also won an increase in prices, but below the 35 naira level it argued was the minimum to spur further fuel imports and thus ease the country's shortage. In the wake of yesterday's violence, both sides were anxious to end the strike before more potential violence spread further. However, this may not be the final chapter. The GON wants fuel prices to reach 40 naira by year's end. Given the lesson of the strike, perhaps the Government will do a better job of consulting with Labor the next time around. End Comment.